



DECEMBER 2014 Newsletter

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A Note from Lynne

As the holidays approach...

I would like to thank my clients, colleagues and friends for another wonderful year – helping others is what truly makes me happy, and I am thankful for the opportunity to be of service to those needing help with their accounting and tax needs. Those of you with sharp eyes will notice that my business name has changed, which is a result of Certified General Accountants (CGAs) recently merging with CAs and CMAs to now all come together under one organization: Chartered Professional Accountants (CPAs). Rest assured the changes will only strengthen my ongoing dedication to provide clients with the best service I possibly can.

As always, I'm happy to discuss the topics in this newsletter, or any other questions you may have. Please e-mail me at lynne@forgette.ca or give me a phone call at 613-271-0683 and I'll respond as soon as possible. I love hearing your suggestions for future topics, so please keep the ideas coming!



Wishing you and yours the very best for the holiday season!

Tax Season is coming!

I will be emailing a checklist to my clients in late January 2015 to assist with gathering personal tax information for the 2014 tax returns. A copy will also be available on my website – you can visit it at www.forgette.ca



If you need new mileage logs to start the 2015 year with, contact me and I'll send you one!

Small Business Job Credit (SBJC)

Employers will want to note that a credit has been introduced to lower EI premiums for 2015 and 2016 for eligible small businesses. To qualify, small businesses must have paid less than \$ 15,000 in EI premiums, and eligibility will automatically be determined by CRA based on T4 information. CRA will recalculate premiums at a reduced rate and issue a refund for the difference. Visit <http://www.fin.gc.ca/n14/14-120-eng.asp>

Tax Free Savings Accounts (TFSA)

The contribution limit for 2015 for tax free savings accounts is \$ 5,500. If you would like to be referred to an advisor who can assist in setting a TFSA up for you, please contact me.

Employment and Training Grants

Looking to hire new staff? If you are thinking of hiring someone between the ages of 15 and 29, the Ontario Government's Youth Job Strategy provides hiring incentives and training grants up to \$ 6,800 in certain circumstances. You can learn more about how the program works by visiting the Youth Employment Fund at: <http://www.tcu.gov.on.ca/eng/employmentontario/youthfund/>

Year End Tax Planning Notes

INDIVIDUALS:

- RRSP contributions to be deducted on the 2014 tax return can be made until March 2, 2015
- If you turned 71 in 2014, then you must mature your RRSP by December 31st
- Old Age Security (OAS) will be affected if seniors have more than \$ 71,592 of net income in 2014
- Be sure to have all receipts ready for tax season – remember certain expenses you pay prior to Dec 31st may be deductible, for example: child care, child fitness and arts, medical expenses, donations, political contributions, eligible employment expenses, union dues, certain public transit costs, certain interest charges
- Check in with your financial advisor soon – the Canadian stock exchange closes early on Dec 24th

BUSINESSES:

- If you are thinking of buying capital assets (such as computers or furniture) consider buying before Dec 31st, as you will only receive a half year deduction in most cases anyway, regardless of the date purchased
- T4s for salary and T5s for dividends will be due February 28, 2015
- Contact me if you need assistance determining the optimal mix of salary and dividends from your corporation
- Consider paying reasonable salaries for services provided by family members

An important reminder

Talking about wills is never fun, and especially not during the festive season, but with New Year's Resolutions coming up soon, now is a good time to make sure you're not ignoring such an important document. If you already have a lawyer who helped you to draft a will, speak to them about whether it needs updating. If you don't yet have a will and need to better understand how important one is, the law firm of LaBarge Weinstein LLP here in Kanata recently posted a great article on their website:

<http://www.lwlaw.com/ontario-will-frequently-asked-questions/>

Government Cheques

Still receiving cheques from the Government of Canada in the mail? Cheques are being phased out by the Government and replaced by direct deposit.

You need to enroll for direct deposit by visiting:

<http://www.servicecanada.gc.ca/eng/sc/direct-deposit/>

Contact me if you need help filling out the forms, or have questions about the process.

'Tis the season...

This time of year, there is lots of gift giving going on. CRA explains the tax consequences of gifts from an employer to an employee at <http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/bnfts/gfts/plcy-eng.html>. The site includes a handy tool to help employers calculate any taxable benefit that may apply.



And now for a break from taxes...

It's that time of year again to do some holiday shopping, and a recent article in Forbes magazine had some great tips for protecting yourself from the grinchers out there who are looking for opportunities to defraud unsuspecting shoppers, both online and in-store. Their suggestions include keeping your software up to date and watching your statements closely. Read the full article at the following website:

<http://www.forbes.com/sites/symantec/2014/11/25/essential-tips-to-staying-secure-online-and-in-store-this-holiday-shopping-season/>

Please remember that the information presented here is for educational purposes only, and it is not possible to include all situations, circumstances and exceptions – individual facts should always be discussed with a qualified professional.

Although I have made every effort to ensure the accuracy of the information in this newsletter, I accept no liability for any errors or omissions.

Please call or email if you would like any further information or have any questions!

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